

ABSTRACT

Firm value becomes an investor's view of the company's success and is often associated with stock prices. The high value of the company illustrates the higher the share price and ultimately provides benefits for shareholders. Property & real estate sub-sector is a contributor to national economic growth, but several companies have experienced a decline in performance.

This study aims to analyze the effect of Current Ratio (CR), Return on Equity (ROE), Net Profit Margin (NPM), Total Assets Turnover (TATO), and Debt to Assets Ratio (DAR) on company value in the sub-sector of property & real estate companies listed on the Indonesia Stock Exchange (IDX) in 2016-2020 simultaneously. And also to analyze the partial effect of Current Ratio (CR), Return on Equity (ROE), Net Profit Margin (NPM), Total Assets Turnover (TATO), and Debt to Assets Ratio (DAR) on company value in the sub-sector of property & real estate companies listed on the Indonesia Stock Exchange (IDX) in 2016-2020

The method used in this research is quantitative approach. Data was collected using documentation techniques. The population in this study is property & real estate sub-sector companies listed on the IDX for 2016-2020 period and the sample used are 44 companies using purposive sampling technique. This study used panel data regression analysis method.

The findings show that the firm value of property & real estate sub-sector companies listed on IDX in 2016-2020 is positively and significantly influenced by CR, NPM, TATO, and DAR. Meanwhile, ROE negatively and significantly affected the firm value of property & real estate sub-sector companies listed on IDX in 2016-2020. Simultaneously CR, ROE, NPM, TATO, and DAR have a significant influence on firm value of property & real estate sub-sector companies listed on IDX in 2016-2020.

Results suggest that company management is expected to improve company performance by optimizing sales so that profits increase. In addition, control in the use of debt to finance assets also needs attention. Thus the value of the company can increase because the welfare of investors is fulfilled.

Keywords: firm value, Current Ratio, Return on Equity, Net Profit Margin, Total Assets Turnover, Debt to Assets Ratio